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**AGENCY OVERVIEW****117 Office of the State Auditor**

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**Date:** 01/13/2011**Time:** 11:12:33**Statutory Authority**

North Dakota Century Code Chapter 54-10.

**Agency Description**

The State Auditor is a constitutionally elected state official. The Office of the State Auditor is divided into four operational divisions. The Division of State Audits, the largest division, is responsible for auditing state government and conducting financial, compliance, performance, and information system audits. The Division of Local Government Audits performs audits of counties, cities, school districts, and other political subdivisions. The Division of Royalty Audits conducts audits of federal royalty payments from oil, gas, and coal leases located within the State of North Dakota. Administration, the fourth division, accounts for activities of the State Auditor and the Office Manager.

**Agency Mission Statement**

To provide audit services designed to improve governmental operations and to provide accountability for the benefit of the citizens of North Dakota.

**Agency Performance Measures**

Conduct audits. Detailed performance measures are reported at the program level.

**Major Accomplishments**

1. Obtained a favorable Quality Control Review from peer states.

**Future Critical Issues**

Retain our staff and hire qualified staff.

**REQUEST SUMMARY**

117 Office of the State Auditor  
Biennium: 2011-2013

Bill#: SB2004

Date: 01/13/2011

Time: 11:12:33

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>By Major Program</b>					
Administrative Services	336,377	378,552	(19,083)	359,469	0
Division of Local Government Audits	1,089,794	1,338,124	106,740	1,444,864	0
Division of State Audits	5,343,008	6,383,677	(6,947)	6,376,730	287,434
Mineral Royalty Auditing	713,786	974,678	(97,862)	876,816	0
<b>Total Major Program</b>	<b>7,482,965</b>	<b>9,075,031</b>	<b>(17,152)</b>	<b>9,057,879</b>	<b>287,434</b>
<b>By Line Item</b>					
Salaries and Wages	6,815,515	8,015,046	154,061	8,169,107	381,634
Operating Expenses	567,558	785,985	(47,213)	738,772	55,800
Capital Assets	0	124,000	(124,000)	0	0
Information Tech Consultants	99,892	150,000	0	150,000	(150,000)
<b>Total Line Items</b>	<b>7,482,965</b>	<b>9,075,031</b>	<b>(17,152)</b>	<b>9,057,879</b>	<b>287,434</b>
<b>By Funding Source</b>					
General Fund	5,679,385	6,762,229	(26,030)	6,736,199	287,434
Federal Funds	713,786	974,678	(97,862)	876,816	0
Special Funds	1,089,794	1,338,124	106,740	1,444,864	0
<b>Total Funding Source</b>	<b>7,482,965</b>	<b>9,075,031</b>	<b>(17,152)</b>	<b>9,057,879</b>	<b>287,434</b>
<b>Total FTE</b>	<b>54.80</b>	<b>51.80</b>	<b>(1.00)</b>	<b>50.80</b>	<b>0.00</b>

**REQUEST DETAIL**

117 Office of the State Auditor  
Biennium: 2011-2013

Bill#: SB2004

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>Salaries and Wages</b>					
Salaries - Permanent	5,156,947	5,901,478	135,677	6,037,155	0
Salaries - Other	0	0	0	0	351,802
Temporary Salaries	70,436	74,235	69,766	144,001	0
Overtime	3,197	0	0	0	0
Fringe Benefits	1,584,935	2,039,333	30,536	2,069,869	0
Reduction In Salary Budget	0	0	(81,918)	(81,918)	29,832
<b>Total</b>	<b>6,815,515</b>	<b>8,015,046</b>	<b>154,061</b>	<b>8,169,107</b>	<b>381,634</b>
<b>Salaries and Wages</b>					
General Fund	5,198,058	6,053,744	120,633	6,174,377	381,634
Federal Funds	644,594	824,378	(80,407)	743,971	0
Special Funds	972,863	1,136,924	113,835	1,250,759	0
<b>Total</b>	<b>6,815,515</b>	<b>8,015,046</b>	<b>154,061</b>	<b>8,169,107</b>	<b>381,634</b>
<b>Operating Expenses</b>					
Travel	118,273	213,351	(39,341)	174,010	0
Supplies - IT Software	3,359	24,400	(10,900)	13,500	50,000
Supply/Material-Professional	6,546	10,780	1,120	11,900	0
Food and Clothing	117	0	0	0	0
Bldg, Ground, Maintenance	1,422	1,000	0	1,000	0
Miscellaneous Supplies	359	2,520	(2,520)	0	0
Office Supplies	25,198	25,700	3,200	28,900	0
Postage	8,359	12,000	(1,000)	11,000	0
Printing	4,999	12,500	(3,500)	9,000	0
IT Equip Under \$5,000	41,161	33,404	2,797	36,201	0
Other Equip Under \$5,000	2,440	1,822	178	2,000	0
Office Equip & Furn Supplies	21,035	7,923	7,268	15,191	0
Insurance	7,369	9,902	(502)	9,400	0
Rentals/Leases-Equip & Other	4,601	600	(600)	0	0
Rentals/Leases - Bldg/Land	88,664	121,000	6,000	127,000	0
Repairs	9,207	16,300	(2,300)	14,000	0
IT - Data Processing	99,966	127,000	20,890	147,890	5,800
IT - Communications	44,319	46,700	2,580	49,280	0
IT Contractual Svcs and Rprs	755	7,315	(7,315)	0	0
Professional Development	46,242	67,783	(11,483)	56,300	0
Operating Fees and Services	12,962	29,104	2,096	31,200	0
Fees - Professional Services	18,496	14,881	(13,881)	1,000	0
Medical, Dental and Optical	1,709	0	0	0	0
<b>Total</b>	<b>567,558</b>	<b>785,985</b>	<b>(47,213)</b>	<b>738,772</b>	<b>55,800</b>

**REQUEST DETAIL**

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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Budget Request
<b>Operating Expenses</b>					
General Fund	381,435	434,485	(22,663)	411,822	55,800
Federal Funds	69,192	150,300	(17,455)	132,845	0
Special Funds	116,931	201,200	(7,095)	194,105	0
<b>Total</b>	<b>567,558</b>	<b>785,985</b>	<b>(47,213)</b>	<b>738,772</b>	<b>55,800</b>
<b>Capital Assets</b>					
IT Equip/Sftware Over \$5000	0	124,000	(124,000)	0	0
<b>Total</b>	<b>0</b>	<b>124,000</b>	<b>(124,000)</b>	<b>0</b>	<b>0</b>
<b>Capital Assets</b>					
General Fund	0	124,000	(124,000)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>124,000</b>	<b>(124,000)</b>	<b>0</b>	<b>0</b>
<b>Information Tech Consultants</b>					
Fees - Professional Services	99,892	150,000	0	150,000	(150,000)
<b>Total</b>	<b>99,892</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>(150,000)</b>
<b>Information Tech Consultants</b>					
General Fund	99,892	150,000	0	150,000	(150,000)
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>99,892</b>	<b>150,000</b>	<b>0</b>	<b>150,000</b>	<b>(150,000)</b>
<b>Funding Sources</b>					
General Fund	5,679,385	6,762,229	(26,030)	6,736,199	287,434
Federal Funds	713,786	974,678	(97,862)	876,816	0
Special Funds	1,089,794	1,338,124	106,740	1,444,864	0
<b>Total Funding Sources</b>	<b>7,482,965</b>	<b>9,075,031</b>	<b>(17,152)</b>	<b>9,057,879</b>	<b>287,434</b>

**CHANGE PACKAGE SUMMARY**

117 Office of the State Auditor

Bill#: SB2004

Date: 01/13/2011

Biennium: 2011-2013

Time: 11:12:33

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b><u>Base Budget Changes</u></b>						
<b>One Time Budget Changes</b>						
A-E 2 Remove TeamMate One-time funding		0.00	(150,000)	0	0	(150,000)
<b>Total One Time Budget Changes</b>		<b>0.00</b>	<b>(150,000)</b>	<b>0</b>	<b>0</b>	<b>(150,000)</b>
<b><u>Ongoing Budget Changes</u></b>						
A-A 3 Base budget changes		0.00	(78,581)	(17,455)	(7,095)	(103,131)
Base Payroll Change		(1.00)	202,551	(80,407)	113,835	235,979
<b>Total Ongoing Budget Changes</b>		<b>(1.00)</b>	<b>123,970</b>	<b>(97,862)</b>	<b>106,740</b>	<b>132,848</b>
<b>Total Base Budget Changes</b>		<b>(1.00)</b>	<b>(26,030)</b>	<b>(97,862)</b>	<b>106,740</b>	<b>(17,152)</b>
<b><u>Optional Budget Changes</u></b>						
<b>Ongoing Optional Changes</b>						
A-C 4 Restore salary line funding	4	0.00	81,918	0	0	81,918
A-C 5 Fund ongoing TeamMate costs	5	0.00	55,800	0	0	55,800
A-C 6 Increase salaries	6	0.00	351,802	0	0	351,802
<b>Total Ongoing Optional Changes</b>		<b>0.00</b>	<b>489,520</b>	<b>0</b>	<b>0</b>	<b>489,520</b>
<b>Total Optional Budget Changes</b>		<b>0.00</b>	<b>489,520</b>	<b>0</b>	<b>0</b>	<b>489,520</b>
<b><u>Optional Savings Changes</u></b>						
A-G 1 3% Savings	1	0.00	(202,086)	0	0	(202,086)
<b>Total Optional Savings Changes</b>		<b>0.00</b>	<b>(202,086)</b>	<b>0</b>	<b>0</b>	<b>(202,086)</b>

**BUDGET CHANGES NARRATIVE**

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<b>Change Group:</b> A	<b>Change Type:</b> A	<b>Change No:</b> 3	<b>Priority:</b> 3
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Base budget changes

Changes to base budget.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 4	<b>Priority:</b> 4
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Restore salary line funding

Restore slaries underfunded to reach 100% general fund level.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 5	<b>Priority:</b> 5
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Fund ongoing TeamMate costs

Fund on-going TeamMate maintenance and operating costs.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 6	<b>Priority:</b> 6
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Increase salaries

Increase salaries to help reduce turnover.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 2	<b>Priority:</b> 2
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Remove TeamMate One-time funding

Remove one-time funding for working paper project.

<b>Change Group:</b> A	<b>Change Type:</b> G	<b>Change No:</b> 1	<b>Priority:</b> 1
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3% Savings

Optional 3% savings plan

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b>
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On-going electronic working papers

Provides \$55,800 from the general fund for on-going maintenance and ITD costs for the electronic working papers (TeamMate) system that was implemented during the 2009-11 biennium.